

S U M M A R Y O F A C T I V I T I E S



I N F O R M A T I O N
N E T W O R K O F
K A N S A S



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- Tax Payment Portal
- Statewide Payment Portal
- Limited Criminal History Searches
- Corporation Filings



INTRODUCTION TO ACCESSKANSAS

Twelve years ago the many members of Kansas government had a vision. This vision was created out of the need of the government associations in Kansas to deliver and access documents immediately, without having to drive to and from the state capital. The desire became to open up access to the state mainframes, databases and systems to provide ease of access for businesses and citizens of the state of Kansas without impacting the tax appropriations of the state. This desire led to the introduction of Senate Bill 682, which was subsequently approved and enacted in Kansas statute 74-9301 - 74-9308, proposing the creation of the Information Network of Kansas (INK) to serve the purpose of:

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- a. Providing electronic access to public information of agencies;
 - b. developing an electronic network for this access;
 - c. providing appropriate oversight of any network manager;
 - d. exploring ways of providing more public information and increasing the use of that information;
 - e. exploring technological ways and means of improving citizen and business access to public information; and
 - f. exploring options for expanding the network and its services to citizens and businesses through revenue-based applications

As outlined in statute, INK was tasked with:

- a. Serving in an advisory capacity regarding the provision of state data to the citizens and businesses of Kansas;
- b. seeking advice from the general public, its subscribers, professional associations, academic groups and institutions; and
- c. developing charges for the services provided to subscribers, which include the actual costs of providing such services.

I N F O R M A T I O N N E T W O R K O F K A N S A S , I N C .

Our Mission:

As the official gateway of Kansas, we are committed to providing citizens, businesses, and governments with efficient online access to government.

Our Vision:

We partner with Kansas government to:

- *Provide a user-friendly gateway for citizens to access government services*
- *Position Kansas as a leader in electronic government*
- *Present a unified “face” of Kansas government on the Internet*
- *Develop electronic solutions that streamline internal government processes*
- *Provide an effective means for business interaction via the Internet*

OUR HISTORY

The Information Network of Kansas (www.accessKansas.org/board) is governed by a ten-member board of directors from both the public and private sectors. 74-9303. INK shall be governed by a board consisting of 10 members as follows:

- The President of Kansas, Inc.;
- The Secretary of State;
- Two members who are chief executive officers of agencies of the executive branch, appointed by the governor who shall serve at the pleasure of the governor;
- One member appointed by the governor from a list of three Kansas bar association members submitted by such association. Such member shall serve a three-year term;
- Three members from other user associations of a statewide character appointed by the governor from a list of not less than nine individuals and their respective user associations compiled initially by the president of Kansas, Inc. and thereafter by the board of INK and submitted to the governor. No two members appointed pursuant to this

paragraph shall represent the same user association. The terms for such members shall be for a period of three years, except initially, when the terms shall be for one, two and three years, respectively;

- One member appointed by the governor from a list submitted by the president of the Kansas public libraries association and comprised of three librarians employed by public libraries. Following the initial appointment hereunder, such list shall be comprised of librarians of public libraries which subscribe to INK. Such member shall serve a three-year term; and
- The director of information systems and communications who shall serve as a nonvoting member.

The Information Network of Kansas (INK) Board of Directors meets on a monthly basis to discuss issues relating to the portal and other aspects of the State's Internet presence. The board is also briefed on the portal's performance and upcoming applications.

The Board of Directors hired an executive director in the Spring of 2002. This individual provides direction and assistance to the network manager, serves as a liaison between the board and the state, and provides thorough leadership for eGovernment initiatives in Kansas. The INK Executive Director is James J. Hollingsworth.

INK hired Kansas Information Consortium, Inc. (KIC), a wholly-owned subsidiary of NIC Inc. of Overland Park, KS, in 1991 to serve as its Network Manager, responsible for the tactical delivery of the services of accessKansas. NIC Inc. is the worldwide leader in providing electronic government services, managing transactions and applications available to more than 150 million people. Founded in 1991, NIC operates government portals in 17 states and seven local

governments. Additionally, NIC provides eGovernment application services to 80 local governments, 23 states, and 7 federal entities in the United States through its divisions and affiliated entities. KIC has operated in partnership with INK and the state of Kansas under a self-funding model since 1991. Under this funding model, KIC derives the majority of its revenue from fees for value-added services provided to the citizens and businesses, while continuously developing new services at no cost to the state.

In 1994, INK offered an array of electronic services to a diverse customer base including legal, banking, legislative and educational services. INK made its first presence on the Internet in January 1996. In 1999, hunting and fishing licenses were made available for purchase online with INK's first "eCommerce" credit card service. In 2000, INK launched a completely redesigned Web portal under a new brand name: accessKansas. The portal tagline is: **"accessKansas: your government online, anytime!"**

An in-depth historical overview of INK's first ten years can be found on our online brochure: http://www.accesskansas.org/anniversary_brochure.

A NOTE FROM THE CHAIRMAN

2002 was a very good year in the history of the Information Network of Kansas. Considered the birthplace of eGovernment, Kansas launched the nation's first electronic state government services in 1992. Kansas was also the first state to use a self-funding model to fund online



government services. During the last 11 years, the Information Network of Kansas Inc. has worked with more than 160 state agencies to develop over 400,000 pages of content for accessKansas (www.accessKansas.org), the state's official Web portal, with nearly 90% of all the information and services available at accessKansas being free to the public.

This year the official web portal for the State of Kansas made significant strides in our model to positively transform the relationships among citizens, businesses and government by utilizing the Internet, providing Kansas citizens and businesses a more efficient, cost-effective method for obtaining state, county and local government information and conducting Internet-based transactions with their state government. All state departments and agencies have an Internet presence within the accessKansas portal, communicating and providing immediate information and services to Kansas citizens and businesses.

2002 also showed a marked increase in traffic to the portal and we expect that trend to continue. The portal was visited over 17 million times over the year, averaging nearly 2 million visitors each and every month. In addition, nearly 400 interactive services are available to citizens and businesses.

The Information Network of Kansas with the cooperation of the State of Kansas issued a bid for eGovernment network manager services in the summer of 2002, and after a competitive review the contract was awarded to Kansas Information Consortium. Kansas Information Consortium signed its original contract with the state in December 1991. After fulfilling the original five-year term and exercising both renewal options, Kansas Information Consortium's contract with the state ended on December 31, 2002. The new contract's consists of a base term of three years with two renewal options of two years each. The Information Network of Kansas, Inc., Board of Directors approved the contract on November 21, 2002 and the new contract became effective December 31, 2002.

These years to come may prove to be most difficult for the State of Kansas, Kansas citizens and Kansas business owners. The Information Network of Kansas stands ready to assist and in some cases is leading the way toward identifying those areas of information delivery, collaboration and communication for all the government entities, citizens and private businesses to become more efficient and effective in their interactions with the private sector in these troubled times.

The Board of Directors and staff of the Information Network of Kansas would like to take this opportunity to thank all of those who continue to support the network and offer our continued commitment to quality and effective solutions.

***accessKansas - Your government
online... anytime.***

Tom Winters

INK Chairman

Sedgwick County Commissioner

I N F O R M A T I O N N E T W O R K O F K A N S A S , I N C .

THE BOARD



Tom Winters
*INK Chairman, Sedgwick
County Commissioner*



Marvin Maydew
*INK Vice Chairman,
Attorney, CPA, Glenn Cornish,
Hanson & Karns*



Leroy Gattin
*INK Secretary
Director, Hutchinson
Public Library*



Deb Miller
Secretary of Transportation



Denise Moore
*Director, Department of
Administration-DISC*



Charles Ranson
*President
Kansas, Inc.*



Ron Srajer
*Vice President, Insurance
Management Associates
of Kansas*



Todd Thompson,
*Attorney
Thompson & Associates, P.A.*



Ron Thornburgh
Secretary of State



Joan Wagon
Acting Secretary of Revenue

Jim Hollingsworth - *Executive Director*
Debby Fitzhugh - *Kansas, Inc.*

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors of
Kansas Information
Consortium, Inc.

In our opinion, the accompanying balance sheets and the related statements of income, of changes in shareholder's equity and of cash flows present fairly, in all material respects, the financial position of Kansas Information Consortium, Inc. at December 31, 2001 and 2000 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

May 15, 2002
PriceWaterhouseCoopers, LLP

I N F O R M A T I O N N E T W O R K O F K A N S A S , I N C .

KANSAS INFORMATION CONSORTIUM, INC.
BALANCE SHEETS
December 31, 2001

<u>ASSETS</u>	<u>2001</u>
CURRENT ASSETS:	
Cash	\$ 935,282
Trade accounts receivable	670,000
Other assets	21,143
Prepaid expenses	<u>24,693</u>
Total current assets	<u>1,651,710</u>
Property and equipment, net	337,350
Deposits and other	<u>-</u>
Total assets	<u>\$ 1,989,060</u>
<u>LIABILITIES AND</u>	
<u>SHAREHOLDER'S EQUITY</u>	
CURRENT LIABILITIES:	
Accounts payable	\$ 869,429
Accrued expenses	47,115
Capital lease obligation – current portion	1,824
Due to affiliated companies	<u>172,159</u>
Total current liabilities	<u>1,090,527</u>
Capital lease obligation – long-term portion	-
Deferred income taxes	<u>8,084</u>
Total liabilities	<u>1,098,611</u>
Commitments and contingencies (Notes 6 and 7)	
SHAREHOLDER'S EQUITY:	
Common stock, \$1 par value;	
500,000 shares authorized,	
229,250 shares issued	229,250
and outstanding	22,146
Additional paid-in capital	639,053
Retained earnings	<u>890,449</u>
Total shareholder's equity	<u>890,449</u>
Total liabilities and	
shareholder's equity	<u>\$ 1,989,060</u>

INFORMATION NETWORK OF KANSAS, INC.
BALANCE SHEETS
June 30, 2001

<u>ASSETS</u>	<u>2002</u>
CURRENT ASSETS	
Invested cash	\$ 32,819
U.S. Treasury Bills and Notes	609,820
Accounts receivable	17,391
Interest receivable	<u>2,833</u>
Total current assets	<u>662,863</u>
ASSETS WHOSE USE IS LIMITED	
BY BOARD OF DIRECTORS	<u>611,899</u>
EQUIPMENT – AT COST	8,235
Less accumulated depreciation	<u>6,253</u>
	<u>1,982</u>
Total assets	<u>\$ 1,276,744</u>
<u>LIABILITIES AND FUND EQUITY</u>	
CURRENT LIABILITIES	
Accounts payable	\$ 68,888
FUND EQUITY	
Designated	611,899
Undesignated	<u>595,957</u>
	<u>1,207,856</u>
Total liabilities and fund equity	<u>\$ 1,276,744</u>

*The accompanying notes are an integral
part of these statements.*

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors of
Kansas Information
Consortium, Inc.

We have audited the accompanying balance sheets and related statements of revenues, expenses and changes in fund equity and cash flows of the Information Network of Kansas, Inc., a component unit of the State of Kansas, as of June 30, 2002 and 2001, and for the years then ended. These financial statements are the responsibility of Information Network of Kansas, Inc., management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Information Network of Kansas, Inc., as of June 30, 2002 and 2001, and the results of its operations and changes in its fund equity and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. As described in Note A3 to the financial statements, the Information Network of Kansas, Inc., changed its accounting policy related to financial statement presentation to comply with the provisions of Governmental Accounting Standards Board Statement No. 34, as of July 1, 2001. The Management's discussion and analysis on pages 1 through 3 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Topeka, Kansas
December 31, 2002
Wendling Noe Nelson & Johnson LLC

KANSAS:

A LEADER IN GOVERNMENT

State governments make a big difference in how easy it is for their citizens, businesses and employees to take full advantage of the Internet to engage in legally binding transactions, seek information and otherwise interact with government. At a time when many states are facing severe budget shortfalls and seeking ways to reduce the cost of government, the Information Network of Kansas is poised to assist government entities through this difficult time and maintain Kansas as a leader in digital government.

2002 Digital State Survey

- #1 Ranking in the United States - 2002 Digital State Award - Social Services
- #1 Ranking in the United States - 2002 Digital State Award - Law Enforcement
- #1 Ranking in the United States - 2002 Digital State Award - GIS & Transportation
- Center for Digital Government Best of Breed - 2002 Digital State Survey - Trucking Portal

Federation of Government Information Processing Councils

- 2002 Intergovernmental Solutions Award - Trucking Portal & Motor Carrier Permitting Application

2001 Digital State Survey

- #1 Ranking In the United States - 2001 Digital State Award Ranking Overall
- #1 Ranking In the United States - 2001 Digital State Award Ranking - GIS Transportation
- #7 Ranking In the United States - 2001 Digital State Award - K-12 Education
- #4 Ranking In the United States - 2001 Digital State Award - Digital Democracy
- #10 Ranking In the United States - 2001 Digital State Award - Management and Administration
- #1 Ranking In the United States - 2001 Digital State Award - Social Services
- #3 Ranking In the United States - 2001 Digital State Award - Taxation/Revenue
- #15 Ranking In the United States - 2001 Digital State Award - eCommerce/Business Regulation

2001 Center for Digital Government

- 2001 Center for Digital Government Best of Breed - Board of Nursing



- 2001 Center for Digital Government Best of Breed - Trucking Permit Portal
- 2001 Center for Digital Government Best of Breed - UCC Filing

2001 PriceWaterhouse Coopers Endowment for Business of Government

- #7 Ranking In the United States - 2001 Overall Ranking

MAKING GOVERNMENT WORK SMARTER

Kansas' economy has seen a downturn since the September 11, 2001, terrorist attacks. Because of this, there will be continued close scrutiny of state agency budgets as the Legislature begins its regular session in January 2003. These budgetary pressures may give further incentive for Kansas state agencies to work with INK as they seek to streamline labor-intensive business processes and find ways to move more government interactions online via the accessKansas portal, giving further impetus to the INK initiative. The state's accessKansas portal is a cost-effective tool for providing outstanding government service to the people of Kansas and can be quickly put to work in implementing a new administration's plan for Kansas.

CURRENT EGOVERNMENT OFFERING

accessKansas currently offers nearly 400 interactive online services and applications via the portal. These include various record searches, license renewal & verification, legislative research & tracking, audio streaming, a trucking permit portal, uniform commercial code filing, tax filings & payments, hunting & fishing licenses, and a variety of business and citizen services.

The portal houses approximately 400,000 pages of content on accessKansas. The site receives an average of 2 million individual page views per month, which nearly doubles during an active Legislative Session.

CURRENT MAJOR INITIATIVES

- **Kansas Business Center (KBC)**
This multi-agency effort truly defines the “transformation of eGovernment.” The agencies participating in the first phase of the KBC include the Kansas Department of Revenue (KDOR), Kansas Department of Human Resources (KDHR), Kansas Secretary of State (KSOS), Kansas Department of Commerce and Housing (KDOCH). KBC is an integrated “one-stop-shop” for businesses looking to interact with their state government. Phase I includes new business registration. This online service will provide the opportunity for prospective businesses to search for possible names of their business, reserve those names and file articles of incorporation with the KSOS. They can file their business tax registrations with the KDOR and check their unemployment liability status with KDHR all while researching other processes through the KDOCH First Stop Clearinghouse. The Center will provide both an individual service filing method, as well as a “wizard” filing tool which will walk a user through the new business registration process step by step, helping eliminate errors and assisting the user.

- **TruckingKS.org**
(www.TruckingKS.org)
Another multi-agency effort which involves the Kansas Department of Revenue, Kansas Department of Transportation, and the Kansas Corporation Commission. The trucking portal, launched in July 2001, includes a set of integrated trucking applications providing access to nearly 20 different services for the trucking industry. Current initiatives include the provision of International Registration Plan (IRP) Renewals and International Fuel Tax Agreement (IFTA) Quarterly Filings.
- **Kansas Department of Commerce & Housing Online Magazine Subscription**
This application provides a 24x7 means for subscribing to or renewing a subscription to the popular KANSAS! Magazine, published by the Kansas Department of Commerce & Housing.

PLANNED INITIATIVES: YEAR 2003

- **Judicial Court Records
Statewide Access**

This is an expansion to a current service provision for four Kansas counties. The Kansas Judicial Branch is working towards an offering of Full-Court access to all 105 Kansas county court records. The Full-Court system will enable INK and the Judicial system to provide online access to court records across the entire state.

- **Kansas Business Center -
Phase II**

The expansion of the KBC includes ideas such as online annual report filings, portal enhancements allowing more flexibility to the user, alcohol & tobacco tax filings, business name and address changes, business tax filing renewals, and fine payments.

- **Kansas Department of Wildlife & Parks Online Big Game Licensing**
access Kansas currently offers most resident and non-resident hunting and fishing licenses, boating permits and more online. There is a large demand for Big Game licensing to be available online as well, since the Big Game industry is substantial in Kansas.

- **Kansas Dental Board Online License
Renewals**

This application will reduce paper and walk-in traffic to the Dental Board by providing online individual license renewal for dentists and dental hygienists.

- **Kansas Board of Cosmetology Online
License Renewals & Verifications**

These two services will reduce costs for the Board as well as provide 24/7 access for license renewals and verifications to cosmetologists and the public.

- **Tax Payment Portal**

The Kansas Department of Revenue has displayed interest in building an online “one-stop” gateway for all tax payments for the state of Kansas. This service will streamline processes for the KDOR while providing efficiency and consistency for taxpayers.



- **Statewide Payment Portal**

An expansion of the above service, the state of Kansas is looking to serve all agencies by providing a centralized payment portal for all government services in Kansas. This portal could allow for online and point-of-service terminal transactions for credit card payments and electronic check processing.

- **Limited Criminal History Searches**

This service will enable employers and other entities and individuals the opportunity to perform a background check through the Kansas Bureau of Investigation online.

- **Corporation Filings**

The Kansas Secretary of State currently offers online corporation searches and would like to offer filings as well. Similar to online UCC filings, this service will prove to be of great benefit for filers and will offer tremendous cost savings to the Secretary of State's office.

accessKansas is challenged with emerging
technologies, the "digital divide," governmental

budget constraints, and continuing to lead
the nation in eGovernment initiatives.

The Information Network of Kansas is
committed to meeting these challenges and
delivering solutions that not only provide efficient
and user-friendly service to the citizen, but also
those that streamline governmental processes.



INFORMATION NETWORK OF KANSAS, INC.

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